

# HUD Multifamily Housing News

"A National Perspective"



## Message from Deputy Assistant Secretary Ben Metcalf



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The opportunity to lead the Office of Multifamily has been a transformative experience and a tremendous honor. Like all good things it must come to an end, and Dec. 14 was my last day at HUD. Reflecting on my time with HUD, I feel compelled to note what an amazing team we have and the accomplishments we've logged over these last several years.

These accomplishments have been realized while experiencing some of the most pronounced organizational changes one can imagine for government: first, with Breaking Ground and Sustaining Our Investment initiative, and then with the Multifamily Transformation. This is a testament to our dedication to the mission and continuous improvement.

When I first started at HUD almost six years ago, one of my first assignments was providing technical comments on the draft legislation to reform the Section 811 program to make it more aligned with state health care and housing priorities.

In April I flew to Sacramento to witness the first move-ins in the country under that revised program. I listened to the stories of folks with disabilities who had the opportunity to live in an independent apartment for the first time in their lives. I don't exaggerate when I tell you that



each one shed tears in gratitude for what we delivered.

The work may not always be glamorous, but for the families and individuals we help, the impact could not be more profound.

While I will be cheering from the sidelines, your important work will continue uninterrupted under the capable leadership of Priya Jayachandran as the new Deputy Assistant Secretary. She carries with her a wealth of experience from her time in real estate banking and right here in HUD. I ask that you put your full support behind her and I know that with your help, Multifamily will continue to deliver meaningful results.

## HUD Publishes Toolkit for Program to Benefit the Homeless

In July 2013, HUD issued Notice H 2013-21 [“Implementation and approval of owner-adopted admissions preferences for individuals or families experiencing homelessness.”](#)

The Department now has a step-by-step [toolkit](#) to facilitate community involvement and successful implementation of the homeless preference.

The toolkit draws on the experiences of 10 communities that HUD funded with its 2012 pilot initiative called Dedicating Opportunities to End Homelessness.

This toolkit provides detailed discussion and direction for the following processes:

- Creating a multifamily planning and implementation team
- Examining and understanding community needs and available multifamily housing resources
- Identifying and engaging service providers
- Engaging multifamily property owners
- Formalizing agreements between service providers and owners
- Supporting owners' implementation of the homeless preference
- Refining the process

The toolkit builds on existing efforts to fight homelessness like [Opening Doors](#), the Federal strategic plan to prevent and end homelessness which was developed in 2010 and amended in 2015. The plan provides a framework for Federal agencies and state and local partners to work together to meet specific goals to end homelessness.

Opening Doors relies upon building and maintaining a community-wide effort to address and end homelessness. Owners and their management companies will work with local partners to implement their property's homeless preference, thereby contributing to the end of homelessness in their communities. It is for this reason that the toolkit is written for use by housing owners, property management agents, government agencies and homeless service providers.

Users are able to choose the information and

recommendations that best apply to their particular communities and unique situations.

View [Opening Doors Through Multifamily Housing: Toolkit for Implementing a Homeless Preference.](#)

## Opportunities for Choice Neighborhoods



HUD has announced the availability of funding to help local communities across the country to redevelop severely distressed public and HUD-assisted housing and transform surrounding neighborhoods. The funding announcement introduces a new, innovative component to the [Choice Neighborhoods Planning Grant](#), called Planning and Action Grants.

Grants of up to \$2 million will enable communities to create a locally driven plan to transform struggling neighborhoods, as well as implement early improvements, such as reclaiming vacant property and attracting new businesses. Read HUD's [funding notice](#) for more info on the grants.

Choice Neighborhoods is HUD's signature place-based initiative in support of the President's goal to build ladders of opportunity to the middle class.

Choice Neighborhoods Planning Grant funds are available to public housing authorities, local governments, nonprofit organizations, and tribal entities. Applicants must submit a completed electronic application through [www.grants.gov](http://www.grants.gov) by Feb. 9, 2016. HUD anticipates awarding approximately four Planning and Action Grants of up to \$2 million each, and approximately four Planning Grants of up to \$500,000 each. For more information about these grants, go to [www.hud.gov/cn](http://www.hud.gov/cn).

### Benefits of Leveraging RAD and Choice Together

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PHAs that have not yet received a RAD Conversion Commitment for the property that is the subject of the application at the time of the application deadline may apply for a Choice Neighborhoods Planning and Action Grant.

Applicants will receive additional points if a RAD Commitment to enter into a HAP Contract has been secured for all of the housing targeted in their application. The Office of Recapitalization will offer flexibility with regard to the RAD milestones so that PHAs and their partners may take advantage of the Planning and Action Grants.

PHAs that are considering applying for RAD for demolition and new construction, or major rehabilitation or reconstruction, are encouraged to apply for a Choice Neighborhoods Planning and Action Grant. Planning and Action Grants do not require that any housing be constructed with the Choice funds, nor can you use grant funds to redevelop the targeted housing.

The Transformation Plan and locally driven Action Activities, together with RAD, can lay the foundation for revitalizing distressed public and/or assisted housing units, transforming the surrounding neighborhood, and promoting opportunities for families.

## **RAD Has a Bright Future in the Sunshine State**

The French Villas apartments in St. Petersburg, FL were dated and in need of a major rehabilitation. Despite its condition, it was difficult to find the funding required to fix the 184 units.

A public-private partnership was developed as part of RAD, which leveraged \$24.4 million, enough to renovate the housing complex. The partnership was developed by Debbie Johnson, Executive Director of the Pinellas County Housing Authority and included, among others, Pinellas County, Norstar Development, Florida Housing Finance Corporation and HUD. Once finalized, the project was renamed The Landings at Cross Bayou.

The Landings at Cross Bayou now has a computer

area, exercise room, library, new common areas, and demonstrates the power of partnership through RAD.



The completion of the project was celebrated with a ribbon cutting ceremony at the end of May. Alesia Scott-Ford, HUD's Field Office Director in the Jacksonville HUD Office was overjoyed with the many lives that will be positively impacted from the new environment and highlighted the success of this journey, one of the first RAD projects in Florida.



Stakeholders participate in a ribbon-cutting ceremony for the Landings at Cross Bayou RAD project in St. Petersburg, FL.

## **Owners and Managers Recognized for Helping the Homeless**

On Sep. 11, property owners and managers gathered for a special recognition program in HUD's Philadelphia Regional Office. They were recognized for their efforts in supporting the regional office's Multifamily Homeless Placement Program, which encourages property owners in HUD's Multifamily Housing inventory to adopt a homeless preference and to lease units to families and individuals experiencing homelessness.



Property Managers and Owners Recognized in Philadelphia for Supporting Homeless Placement Program



**Senior Staff Profile:**  
**Priya Jayachandran**  
**Deputy Assistant Secretary,**  
**Office of Multifamily**



On Dec. 15, Priya Jayachandran stepped into the role of Acting Deputy Assistant Secretary for Multifamily Housing and only a few weeks later was confirmed as the DAS. When asked how she felt about being thrust into the role, she said, *"I am humbled to take on this role and I look forward to continuing to work with the dedicated Multifamily staff across the U.S. who are truly the key to our success."*

Despite the transition in leadership at the top, Priya was quick to calm any fears of dramatic change for the direction of Multifamily.

*"For all intents and purposes, it's going to be business as usual,"* said Priya. *"Ben and the rest of the leadership have set us on the right path and I intend to make sure we stay on that path."*

Priya joined the Office of Multifamily Housing Programs in Sep. 2014 as a Senior Policy Advisor to help FHA's work on Low Income Housing Tax Credit issues. In December of the same year, she also assumed Acting Directorship of the Program Administration Office, Multifamily's front office.

Despite her recent arrival at HUD, she is no stranger to housing. *"Prior to joining HUD, I spent over 15 years in community development real estate banking in New York and Washington, DC,"* said Priya. *"In both*

*instances, I led teams delivering debt and tax credit equity for real estate developers of affordable housing and charter schools."* Under her leadership, the Mid-Atlantic market at both Citi and Bank of America were the top production offices in the country.

Priya has not limited herself to real estate in the US. She also worked in La Paz, Bolivia for the Inter-American Development Bank (IDB) and worked for Credit Suisse and California State Treasurer Kathleen Brown. Priya earned her BA from the University of California and her MPA from Princeton University. She is married and has three children.

**The Northeast Multifamily**  
**Regional Center Welcomes New**  
**Director**

On Nov. 16, Arden Sokolow was appointed as the Director of the new Northeast Multifamily Regional Center in New York City.

Arden previously worked with advisory and asset management firm, Forsyth Street and served as an Executive Director at the New York City Department of Housing Preservation and Development, so she has a keen understanding of the unique challenges for multifamily housing in the Northeast region.

*"Our region has many high cost markets that require the layering of subsidies and resources in order to make deals feasible, adding significantly to the complexity,"* said Sokolow. *"But creating these new housing opportunities is critical due to the shortage of affordable options in these cities."*

When asked what motivated her to join HUD, she cited personal experiences that fuel her passion for affordable housing.

*"My family struggled with homelessness and poor housing conditions during my childhood and it had a significant impact on my education and social development,"* said Sokolow. *"I wanted to join HUD because protecting the 8,000 properties in the Northeast portfolio can have a dramatic impact on individuals and communities in a way no other single organization can."*

## Midwest Check-In Reveals Lessons Learned from Transformation

The Multifamily Transformation Team and five Navigators visited the Midwest Region headquarters in Chicago Dec. 1-3 to talk to staff and leadership about the new business model introduced to the region last winter as part of Wave 2. The Navigators who had conducted training in Chicago, Minneapolis, and Detroit returned to the offices where they served and developed relationships with staff. Many Navigators voiced their excitement to be back in their old haunts and visit with friends they made the previous winter. Staff seemed equally pleased to see their former Navigators and find out how they were faring.

All Multifamily employees were invited to participate in small focus groups where they were able to have frank and open discussions about how the new business model was working, as well as how they felt about the new way of doing business. The focus groups were used to identify specific areas of concern and need for improvement in their work activities and share those ideas across disciplines. Leadership noted that a wonderful side benefit was watching Production and Asset Management engage in conversations about how they could more effectively work together moving forward.

The MFT team and Navigators came away with good information they can use to help improve their operations and help the MFT Team and Navigators apply those lessons learned in the coming Waves, 4 and 5.



Information gathered from the focus groups was shared with senior leadership of Chicago, Detroit and Minneapolis, who all pledged to work diligently to address staff concerns. Their commitment included meeting with staff, scheduling problem solving sessions and providing staff with additional training and support where needed. Although some of the issues identified will be raised to Headquarters for consideration, the majority will be resolved at the local level.

## Carolyn Cockrell Retires After More Than Three Decades of Federal Service



Dec. 31st marked the completion of 31 years of federal service for Carolyn Cockrell. She began her service in the Office of Multifamily Housing Programs in 2005. Since then, she has led enterprise-wide technology initiatives that enable the successful delivery of housing programs and services.

Carolyn has been an active member of the Department's Information Technology workforce, instrumental in transitioning the Department from standalone typewriters to local area networks. She implemented industry best practices including ensuring that all computers are refreshed every four years. Carolyn also served in several senior-level positions in the Office of the Assistant Secretary for Administration and the Office of the Chief Information Officer.

Following her retirement, Winfred Chan will be the lead for the Program Systems Management Office. In retirement, Carolyn plans to travel, experiencing all modes of transportation; high speed rail, boat, airplane, automobile, camel and horseback to name a few.

Everyone in Multifamily and other offices that benefited from her expertise congratulate Carolyn and wish her the best as she embarks on a new phase in her life.

## Multifamily Notices, Publications, and Memos

### FR-5805-F-02 Federal Housing

**Administration:** **Standardizing Method of Payment for FHA Insurance Claims.** This final rule is a cost-savings measure to update HUD's regulations regarding the payment of FHA insurance claims in debentures. Section 520(a) of the National Housing Act affords the Secretary discretion to pay insurance claims in cash or debentures. Published 8/25.

**FR-5851-N-02 Notice in Federal Register on Rental Assistance Demonstration Alternative Requirements or Waivers:** Waiving the Minimum Rent and Security Deposit Requirements for the Housing Authority of Baltimore City's Specified RAD Projects. Published 8/24.

**Corrections** were made to the Utility Allowance Housing Notice 15-04 on 9/9.

**Retrospective Review-Improving the Previous Participation Reviews of Prospective Multifamily Housing and Healthcare Programs Participants.** On Thursday 9/10 a Federal Register Notice was published on the proposed rule for Transforming APPS:

**Field Office Guidance.** On 9/11 a memo on Delegations of Authority for the SE Region was published.

**FR-5896-N-01 Changes in Certain Multifamily Mortgage Insurance Premiums FR Notice.** This notice did not change rates for FY16. Publication date was 10/2.

2014-N-42 and **2015-ML-49** Implementation of Electronic Submission of Davis Bacon Wage Rate Certifications ML and HN. This ML and HN introduce a new method for submission of Davis Bacon Prevailing Wage Payroll Certifications. The objective is to automate the payroll review process via subscription to a Commercial Off The Shelf web-based service for federally funded and/or assisted construction projects receiving HUD grants, loans, loan guarantees and insurance to improve HUD's Davis Bacon oversight and compliance. Publication 10/5 to HUDClips.

**RAD Quick Reference Guide** October 9, Multifamily posted the updated RAD Quick Reference Guide online. The guide provides instructions to owners converting their projects to PBRA authorized under RAD. The

updated guide provides information on continuing Family Self Sufficiency (FSS) programs at PBRA properties. The guide also updates all references to the newly published RAD Notice PIH-2012-32 (HA), REV-2.

**FR-5883-N-01 Notice of Certain Operating Cost Adjustment Factors (OCAFs) for FY 2016** -The OCAFs will be used in calculating rent adjustments upon renewal of Housing Assistance Payments contracts under MAHRA, and calculating annual rent adjustments under both MAHRA and the Low-Income Housing Preservation and Resident Homeownership Act of 1990. HUD used the same methodology for calculating the FY 2016 OCAFs as was used in FY 2015. The OCAFs for FY 2016 are higher than the numbers in 2015. The primary driver for the increase in the national OCAF from 2015 to 2016 is the increase in the wage index. Publication 10/13.

**PIH-2015-88 Guidance for Public Housing Agencies and Owners of Federally-Assisted Housing Using the Criminal History of Applicants for Screening and the Criminal Activity** The purpose of this joint Notice is to provide guidance as well as best practices on the following: (a) the use of arrest records in screening, eviction, and termination of assistance practices; (b) federal standards for screening applicants on the basis of criminal activity; and (c) federal standards for evicting and terminating assistance on the basis of criminal activity. Published on 11/3.

2015-ML-79, 2015-N-57 Mortgagee Letter/Housing Notice on Increase in Annual Base City High Cost Percentage for FHA-Insured Multifamily Housing in High-Cost Areas and **FR-5886-N-01** Federal Register Notice – 2015 FHA Multifamily Statutory Loan Limit Adjustment. The Notice and Mortgagee Letter identify High Cost Areas and amounts by which statutory loan limits may be increased for loans insured in those areas.